

**MICHIGAN CAMPAIGN FINANCE ACT (EXCERPT)**  
**Act 388 of 1976**

**169.254 Contributions, expenditures, or volunteer personal services by corporation, joint stock company, domestic dependent sovereign, or labor organization, or by persons acting for corporation, joint stock company, domestic dependent sovereign, or labor organization; in-kind contribution; independent expenditures as to ballot questions; violation; penalty.**

Sec. 54. (1) Except with respect to the exceptions and conditions in subsections (2) and (3) and section 55, and to loans made in the ordinary course of business, a corporation, joint stock company, domestic dependent sovereign, or labor organization shall not make a contribution or expenditure or provide volunteer personal services that are excluded from the definition of a contribution under section 4(3)(a).

(2) An officer, director, stockholder, attorney, agent, or any other person acting for a labor organization, a domestic dependent sovereign, or a corporation or joint stock company, whether incorporated under the laws of this or any other state or foreign country, except corporations formed for political purposes, shall not make a contribution or expenditure or provide volunteer personal services that are excluded from the definition of a contribution under section 4(3)(a).

(3) Except for expenditures made by a corporation in the ordinary course of its business, an expenditure made by a corporation to provide for the collection and transfer of contributions to another separate segregated fund not established by that corporation, or to a separate segregated fund not connected to a nonprofit corporation of which the corporation is a member, constitutes an in-kind contribution by the corporation and is prohibited under this section. Advanced payment or reimbursement to a corporation by a separate segregated fund not established by that corporation, or by a separate segregated fund not connected to a nonprofit corporation of which the corporation is a member, does not cure a use of corporate resources otherwise prohibited by this section.

(4) A corporation, joint stock company, domestic dependent sovereign, or labor organization may make a contribution to a ballot question committee subject to this act. A corporation, joint stock company, domestic dependent sovereign, or labor organization may make an independent expenditure in any amount for the qualification, passage, or defeat of a ballot question. A corporation, joint stock company, domestic dependent sovereign, or labor organization that makes an independent expenditure under this subsection is considered a ballot question committee for the purposes of this act.

(5) A person who knowingly violates this section is guilty of a felony punishable, if the person is an individual, by a fine of not more than \$5,000.00 or imprisonment for not more than 3 years, or both, or, if the person is not an individual, by a fine of not more than \$10,000.00.

**History:** 1976, Act 388, Eff. June 1, 1977;—Am. 1989, Act 95, Imd. Eff. June 21, 1989;—Am. 1994, Act 117, Eff. Apr. 1, 1995;—Am. 1995, Act 264, Eff. Mar. 28, 1996;—Am. 2015, Act 269, Imd. Eff. Jan. 6, 2016.

**Constitutionality:** Subsection (1) of this section does not violate the First Amendment and does not violate the Equal Protection Clause of the Fourteenth Amendment of the US Constitution. Austin v Michigan Chamber of Commerce, 494 US 652; 110 S Ct 1391; 108 L Ed 2d 652 (1990).

**Compiler's note:** Section 2 of Act 264 of 1995 provides:

"If any portion of this amendatory act or the application of this amendatory act to any person or circumstance is found to be invalid by a court, the invalidity does not affect the remaining portions or applications of this amendatory act that can be given effect without the invalid portion or application, if those remaining portions are not determined by the court to be inoperable. To this end, this amendatory act is declared to be severable."